

Message Text

CONFIDENTIAL

PAGE 01 STATE 310890
ORIGIN SSO-00

INFO OCT-01 ISO-00 /001 R

DRAFTED BY S/S-O: KAUFMANN
APPROVED BY S/S-O: MACFARLANE
DESIRED DISTRIBUTION
1 COPY FOR S/S-O

-----271120Z 129570 /13

O 271109Z DEC 76
FM SECSTATE WASHDC
TO JCS IMMEDIATE
SECDEF IMMEDIATE
CIA IMMEDIATE
WHITE HOUSE IMMEDIATE

C O N F I D E N T I A L STATE 310890

LIMDIS-DODHANDLE AS SPECAT EXCLUSIVE FOR SECDEF

E.O. 11652: GDS

TAGS: PFOR

SUBJECT: MORNING SUMMARY OF SIGNIFICANT REPORTS

1. OPEC REVERBERATIONS

OMAN WOULD LIKE TO EARN AS MUCH AS POSSIBLE FROM EACH
BARREL OF OIL, AS ITS PRODUCTION WILL SOON BEGIN TO FALL.
NONETHELESS, EMBASSY MUSCAT EXPECTS THE OMANI GOVERNMENT
EVENTUALLY WILL DECIDE TO FOLLOW THE SAUDI/UAE LEAD
BECAUSE OF THE IMPORTANCE OF AID FROM THOSE TWO COUNTRIES.

NIGERIA COULD HAVE ITS CAKE AND EAT IT TOO, REPORTS
EMBASSY LAGOS. BECAUSE OF THE COMPLEX DIFFERENTIAL
SYSTEM, NIGERIA COULD INCREASE PRICES BY SUBSTANTIALLY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 310890

LESS THAN 10 PERCENT WHILE CLAIMING THAT THEY WERE IN-
CREASED BY THE FULL AMOUNT AGREED AT THE OPEC MINISTERIAL.

ALGERIA'S ACTING CHIEF OF EXTERNAL MARKETING BAYOU RE-
FUSED TO DISCUSS PRICES WITH EMBASSY ALGIERS, SAYING THAT
EACH SALE WAS SEPARATELY AND SECRETLY NEGOTIATED. BAYOU

SAID ALGERIA'S CRUDE WAS OF SUCH HIGH QUALITY THAT THERE WOULD BE NO PROBLEM SELLING IT REGARDLESS OF SAUDI ACTIONS. THE EMBASSY NOTES, HOWEVER, THAT THEIR SECRETIVENESS GIVES THE ALGERIANS CONSIDERABLE LATITUDE FOR UNDERCUTTING THE OPEC PRICE.

ECUADOR'S MINISTER OF NATURAL RESOURCES HAS ANNOUNCED A TENTATIVE GOVERNMENT DECISION TO RAISE OIL PRICES 10 PERCENT ON JANUARY 1. IN THE ANNOUNCEMENT, THE MINISTER SAID THAT THE OPEC MAJORITY DECISION HAD BEEN JUSTIFIED.

KUWAITI MINISTER OF STATE FOR CABINET AFFAIRS HUSSEIN WAS QUOTED IN THE KUWAIT PRESS AS SAYING THAT THE FULL OPEC PRICE INCREASE WAS REASONABLE.

INDONESIAN MINISTER OF MINING SADLI WAS QUOTED AS STATING DURING A VISIT TO KUWAIT THAT THE OPEC 11 WOULD NOT RETREAT FROM THEIR DECISION. HE SAID THE OPEC MAJORITY WILL NOW WAIT OUT THE CHANGE IN US ADMINISTRATIONS BEFORE CONCLUDING WHETHER THE DOHA SPLIT WOULD HAVE LASTING EFFECTS. (CONFIDENTIAL) MUSCAT 1593, 12/26, (LIMITED OFFICIAL USE) LAGOS 14237, 12/23, (LIMITED OFFICIAL USE) ALGIERS 2988, 12/23, (UNCLASSIFIED) QUITO 8887, 12/23 AND (UNCLASSIFIED) KUWAIT 5913, 12/22.

2. F-16 COST OVERRUNS TO CAUSE DANISH DEFENSE CUTS?

EMBASSY COPENHAGEN REPORTS THAT DANISH MILITARY LEADERS ARE STRIVING TO CUT DEFENSE EXPENDITURES WITHOUT REDUCING CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 310890

ACTUAL MILITARY CAPABILITY IN ORDER TO FORESTALL A REVOLT IN THE FOLKETING OVER THE UNEXPECTEDLY HIGH COST OF THE F-16. DANISH DEFENSE CHIEF BRIXENKRONE-MOLLER TOLD AMBASSADOR DEAN THAT WITH NEGOTIATIONS OVER A NEW DEFENSE AGREEMENT AT A DELICATE STAGE, HE HAS ORDERED A TOUGH REVIEW OF MILITARY BUDGET PRIORITIES TO MAKE MONEY AVAILABLE TO PAY FOR RISING OVERRUNS IN THE F-16 PROGRAM. AMBASSADOR DEAN BELIEVES THE DANES ARE GENUINELY TRYING TO CUT MILITARY FAT, NOT MUSCLE. HOWEVER, US NATO OBSERVES THAT THE CURRENT DANISH DEFENSE BUDGET CONTAINS PRECIOUS LITTLE FAT TO CUT, AND URGES THAT THE US ATTEMPT TO NIP IN THE BUD THIS ATTEMPT TO CUT BACK EVEN FURTHER ON WHAT THE MISSION CONSIDERS AN ALREADY INADEQUATE DEFENSE CONTRIBUTION. (CONFIDENTIAL) COPENHAGEN 4812, 12/22 (LIMDIS) AND (CONFIDENTIAL) USNATO 7011, 12/23.

3. EGYPT AND SYRIA TO CAMPAIGN FOR GENEVA TALKS

PRAISING THE SYRIAN-EGYPTIAN "UNIONIST" MOVEMENT, THE CAIRO PRESS ANNOUNCED THAT THE TWO COUNTRIES WILL UNDERTAKE A WORLDWIDE DIPLOMATIC DRIVE TO BRING ALL PARTIES TO THE GENEVA CONFERENCE NO LATER THAN MARCH.

EMBASSY CAIRO COMMENT: THERE IS CLEARLY AN INCREASED SENSE OF URGENCY IN THE GOS-SARG PEACE MANEUVERS, DUE IN PART TO THE FORTHCOMING ISRAELI ELECTIONS. (LIMITED OFFICIAL USE) CAIRO 17723, 12/23.

4. SINGAPORE: DOLING OUT MORE PAP

SINGAPORE'S RULING PEOPLE'S ACTION PARTY (PAP) MADE A CLEAN SWEEP OF THE DECEMBER 23 PARLIAMENTARY ELECTIONS, WINNING EACH CONTESTED SEAT AND INCREASING ITS SHARE OF THE TOTAL VOTE TO 75 PERCENT. THE PAP CONTINUES TO CONTROL EVERY SEAT IN PARLIAMENT. EMBASSY SINGAPORE EXPECTS NO CHANGE IN PRESENT GOS POLICIES AND NO IM-CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 310890

MEDIATE IMPACT ON US INTERESTS, BUT NOTES THAT THIS THIRD CONSECUTIVE ELECTORAL SWEEP FOR THE RULING PARTY MEANS THAT AN ENTIRE GENERATION OF SINGAPOREANS WILL HAVE NO EXPERIENCE WITH DEMOCRATIC OPPOSITION IN A NOMINALLY DEMOCRATIC COUNTRY. OVER THE LONG RUN, THE EMBASSY EXPECTS AN INCREASE IN BOTH GOVERNMENT ARROGANCE AND OPPOSITION FRUSTRATION. THE EMBASSY IS ALSO CONCERNED THAT A DETERIORATING POLITICAL CLIMATE COULD MAKE THE US A TARGET FOR INCREASED CRITICISM. (UNCLASSIFIED) SINGAPORE 5740, 12/24 AND (CONFIDENTIAL) SINGAPORE 5696, 12/21.

5. SOVIETS LINK FIRST USE OF NUCLEAR WEAPONS WITH MBFR

ACCORDING TO THE IRISH EMBASSY IN MOSCOW, GROMYKO TOLD VISITING FOREIGN MINISTER FITZGERALD THAT NATO'S REJECTION OF THE WARSAW PACT PROPOSAL FOR RENUNCIATION OF FIRST USE OF NUCLEAR WEAPONS (NFU) WAS A "CONDITIONED RESPONSE" PROMPTED BY COLD WAR CONSIDERATIONS. LINKING THE NFU PROPOSAL WITH MBFR, GROMYKO ALSO SAID THAT NFU COULD HAVE AN IMPORTANT INFLUENCE ON THE VIENNA TALKS.

EMBASSY COMMENT: SOVIET SIGNALS ABOUT AN UNDEFINED NFU-MBFR LINKAGE MAY INDICATE THAT THE USSR, SURPRISED BY NATO'S QUICK REPLY, IS TRYING TO DRESS UP ITS PROPOSAL. THE LATENESS OF THIS LINKAGE DOES NOT MEAN THAT THE WEST HAS HEARD THE LAST OF IT. (CONFIDENTIAL) MOSCOW 20039, 12/23.

6. POLES QUIETLY STRENGTHEN UK TIES

EMBASSY LONDON REPORTS THAT THE FIRST VISIT OF A POLISH PRIME MINISTER SINCE WORLD WAR II PRODUCED SUBSTANTIAL ECONOMIC BENEFITS FOR THE UK, BUT LITTLE FOR POLAND. AGREEMENTS WERE SIGNED FOR BRITISH CONSTRUCTION OF UP TO

CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 310890

22 SHIPS, AN AIR TERMINAL, AND TWO HOTELS FOR POLAND. IN ADDITION, PRIME MINISTER JAROSZEWICZ REPORTEDLY TOLD CALLAGHAN IN PRIVATE THAT HE WELCOMED THE US/UK MILITARY PRESENCE IN CENTRAL EUROPE AND WOULD LIKE TO SEE AN INCREASE IN THE BRITISH ARMY OF THE RHINE. JAROSZEWICZ IS SAID TO HAVE EXPRESSED IN THIS REGARD A STRONG POLISH MISTRUST OF THE GROWING POWER OF NOT ONLY THE FRG, BUT THE GDR AS WELL.

EMBASSY COMMENT: THESE AGREEMENTS WILL EXACERBATE THE LONG-STANDING TRADE IMBALANCE IN BRITAIN'S FAVOR, BUT JAROSZEWICZ MAY WELL BE PLEASED WITH THE POLITICAL BENEFITS OF BEING ABLE TO EMPHASIZE POLAND'S INDEPENDENT BILATERAL TIES WITH A EUROPEAN COMMUNITY MEMBER. (CONFIDENTIAL) LONDON 20686, 12/23.
ROBINSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MORNING SUMMARY
Control Number: n/a
Copy: SINGLE
Draft Date: 27 DEC 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE310890
Document Source: CORE
Document Unique ID: 00
Drafter: O: KAUFMANN
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760472-0881
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761212/aaaaakhg.tel
Line Count: 197
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SSO
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 10 NOV 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 NOV 2003 by GarlanWA>; APPROVED <16 AUG 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MORNING SUMMARY OF SIGNIFICANT REPORTS
TAGS: PFOR, ENRG, MPOL, PINT, MNUC, ECON, MU, NI, AG, DA, XF, SN, UR, PL, UK, OPEC, MBFR
To: JCS DOD CIA MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006